

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS
LEGISLATIVE COMMITTEE**

**MEETING MINUTES
February 13, 2014**

At 5:35 P.M. Member Gordon called the Legislative Committee meeting to order in the Second Floor Auditorium at the San Mateo Transit District Office.

Committee Members Attending:

Irene O'Connell (City of San Bruno)
Deborah Gordon (Town of Woodside)
Art Kiesel (City of Foster City)
Mary Ann Nihart (City of Pacifica)
Karen Ervin (City of Pacifica)

Guests or Staff Attending:

Andrew Antwih, Shaw/ Yoder/ Antwih Inc.
Matt Robinson, Shaw/ Yoder/ Antwih Inc.
Sandy Wong, Jean Higaki, Wally Abrazaldo, C/CAG Staff
Jim Bigelow, Redwood City Chamber of Commerce

1. Public comment on related items not on the agenda.

None

2. Approval of Minutes from December 12, 2013.

Member O'Connell moved and member Kiesel seconded approval of the December 12, 2013 minutes. Motioned passed unanimously.

3. Update from Advocation & Shaw/ Yoder/ Antwih.

Andrew Antwih and Matt Robinson from Shaw/Yoder/Antwih provided a verbal and written update of legislative issues from Sacramento. Some of the topics covered included the following:

A number of the 2013 bills on the C/CAG watch list were 2 year bills that fell to the wayside. If authors want to move forward with the bills they have to reintroduce the bills by 2/21/14. This is the deadline for new bill introductions. About a thousand bills are expected to be introduced next week. Andrew and Matt will have a better idea of the bills of interest to C/CAG in the next couple of weeks.

The Governor's budget proposal was on introduced on January 8 and was well received. If the

legislature approves the proposal there will be a ballot initiative to increase the rainy day fund. Surplus revenues are expected and estimates are conservative. The Budget expects to appropriate about \$850 mil in Cap and Trade dollars this year. Member Gordon asked about the methodology CARB uses in calculating the projections for Cap and Trade but it appears not easy to obtain from CARB. Cap and Trade main expenditure categories include:

- Strategic Growth Council for implementing SB375 and Sustainable Communities Strategies projects.
- Air Resources Board (ARB) for low carbon cargo, passenger, and freight projects.
- Rail modernization and High Speed Rail projects
- Natural Resource Protection projects
- Energy Efficiency projects

The Governor's budget proposal also includes a kind of replacement for redevelopment by revamping the Infrastructure Financing Districts (IFD) structure. There has been mixed support from the Cities and a lot of critique of the proposal. The proposal would lower the vote threshold to 55% and expand the type of projects that the IFD can fund but there are many strings attached. Member Gordon asked that this issue be presented in detail to the whole C/CAG Board. Several members would like to know the difference from what Cities can already do now with tax increment financing.

Other budget items include appropriation of the remaining \$160 mil Prop 1B funds for inner city rail, \$800 mil for State Transit Assistance (STA) transit projects, a \$351 mil loan repayment for local streets and roads, highway repair projects, ATP, and \$618 mil for water action planning and the Integrated Regional Water Management Program (IRWMP).

On February 5th, the State Transportation Agency Secretary's infrastructures priorities working group released a report titled, "California Transportation Infrastructure Priorities: Vision and Interim Recommendations." This report highlights priorities in the areas of rail modernization, fix it first, and active transportation programs (ATP). Longer term recommendations included seeking to lower thresholds for local taxes, using a vehicle miles traveled (VMT) fee in lieu of gas tax, and a re-examination of the state transportation improvement program (STIP).

The California State Transportation Agency (CalSTA), also released a report of an external review of Caltrans conducted by the State Smart Transportation Initiative (SSTI). This report examined a restructuring of Caltrans and the STIP process. Both reports will be distributed to the legislative committee.

4. Update on Stormwater Funding Initiative Enabling Legislation (AB 418) and other related potential funding initiatives.

Matt Robinson reported that AB 418 has been heard at the Senate Governance and Finance Committee and passed with a vote of 5-1. The next stop is the Senate floor, which will require a 2/3 vote approval due to the urgency clause. He is confident that the vote can pass. From there it moves to the Assembly Policy Committee and then the Assembly floor. He estimates the best case is passage at the end of May or early June and worst case is passage by July or August.

AB 418 was amended to include the recommended “watershed” terminology as well as some clarification from Senate Governance and Finance Committee that this bill is specific to C/CAG only. Organizations in opposition include Howard Jarvis and CalTAX. Assembly member Mullin is also planning to introduce a bill that will give all Joint Powers Agencies (JPA) taxing authorities identical to the entities that make up the JPA e.g. Cities and County.

Member Ervin asked if there were concerns about the water bond that will be on the ballot. It is hoped that the AB 418 will be out ahead of the water bond on the ballot.

Water bond related AB 1331 SB 848 both contain a storm water component. Senator Steinberg is trying to amend SB 731 to include streamlining for drought projects. Matt Fabry is looking at some proposed water bond language to see if there is a way to make it more competitive for C/CAG.

Matt Fabry reported that he has not received support letters from all of the jurisdictions and he continues to ask that support letters be submitted. He is concerned that some jurisdictions may not submit a support letter and that there is a need to identify any issues that individual jurisdictions may have regarding moving forward with an actual funding initiative.

Matt Fabry also mentioned that the water bond issue may not be that much of a concern as local initiatives tend to fare better among voters than statewide initiatives. However, there is a concern regarding the SF Bay Restoration Authority who might submit a competing initiative with similar messaging as C/CAG’s message for safe clean water. Member Nihart is not sure if the SF Bay Restoration Authority is in a position politically and/ or financially to make a November ballot initiative.

5. Review and recommend approval of the C/CAG legislative policies, priorities, positions, and legislative update (A position may be taken on any legislation, including legislation not previously identified).

The Legislative Committee did not take an action at this time. It was decided to wait until after the 2/21/14 deadline for new bill introductions and upon further development of legislation.

6. Review and recommend approval of the Draft C/CAG Legislative Policies for 2014

Member O’Connell moved and member Kiesel seconded approval of the Draft C/CAG Legislative Policies for 2014. Motioned passed unanimously.

7. Adjournment

The meeting informally adjourned at approximately 6:15 P.M.